granting access to pipeline operators for pipeline infrastructure repair, replacement, or bypass following an incident.

(b) Existing Private and Public Sector Efforts.—The plan shall take into account actions taken or planned by both private and public entities to address identified pipeline security issues

and assess the effective integration of such actions.

(c) Consultation.—In developing the plan under subsection (a), the Secretary shall consult with the Secretary of Transportation, interstate and intrastate transmission and distribution pipeline operators, nonprofit employee organizations representing pipeline employees, emergency responders, offerors, State pipeline safety agencies, public safety officials, and other relevant parties.

(d) REPORT.—

- (1) CONTENTS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to the appropriate congressional committees a report containing the plan required by subsection (a), including an estimate of the private and public sector costs to implement any recommendations.
- (2) FORMAT.—The Secretary may submit the report in both classified and redacted formats if the Secretary determines that such action is appropriate or necessary.

TITLE XVI—AVIATION

SEC. 1601. AIRPORT CHECKPOINT SCREENING FUND.

Section 44940 of title 49, United States Code, is amended— (1) in subsection (d)(4) by inserting ", other than subsection

(i)," before "except to"; and

(2) by adding at the end the following: "(i) CHECKPOINT SCREENING SECURITY FUND.—

"(1) ESTABLISHMENT.—There is established in the Department of Homeland Security a fund to be known as the 'Check-

point Screening Security Fund'.

"(2) DEPOSITS.—In fiscal year 2008, after amounts are made available under section 44923(h), the next \$250,000,000 derived from fees received under subsection (a)(1) shall be available to be deposited in the Fund.

"(3) FEES.—The Secretary of Homeland Security shall impose the fee authorized by subsection (a)(1) so as to collect at least \$250,000,000 in fiscal year 2008 for deposit into the

Fund.

"(4) AVAILABILITY OF AMOUNTS.—Amounts in the Fund shall be available until expended by the Administrator of the Transportation Security Administration for the purchase, deployment, installation, research, and development of equipment to improve the ability of security screening personnel at screening checkpoints to detect explosives."

SEC. 1602. SCREENING OF CARGO CARRIED ABOARD PASSENGER AIRCRAFT.

- (a) IN GENERAL.—Section 44901 of title 49, United States Code, is amended—
 - (1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and
 - (2) by inserting after subsection (f) the following:

Deadline.

"(g) AIR CARGO ON PASSENGER AIRCRAFT.—

"(1) IN GENERAL.—Not later than 3 years after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007, the Secretary of Homeland Security shall establish a system to screen 100 percent of cargo transported on passenger aircraft operated by an air carrier or foreign air carrier in air transportation or intrastate air transportation to ensure the security of all such passenger aircraft carrying cargo.

"(2) MINIMUM STANDARDS.—The system referred to in paragraph (1) shall require, at a minimum, that equipment, technology, procedures, personnel, or other methods approved by the Administrator of the Transportation Security Administration, are used to screen cargo carried on passenger aircraft described in paragraph (1) to provide a level of security commensurate with the level of security for the screening of

passenger checked baggage as follows:

"(A) 50 percent of such cargo is so screened not later than 18 months after the date of enactment of the Implementing Recommendations of the 9/11 Commission Act of 2007.

"(B) 100 percent of such cargo is so screened not later than 3 years after such date of enactment.

"(3) REGULATIONS.—

"(A) Interim final rule.—The Secretary of Homeland Security may issue an interim final rule as a temporary regulation to implement this subsection without regard to the provisions of chapter 5 of title 5.

"(B) FINAL RULE.—

"(i) IN GENERAL.—If the Secretary issues an interim final rule under subparagraph (A), the Secretary shall issue, not later than one year after the effective date of the interim final rule, a final rule as a permanent regulation to implement this subsection in accordance with the provisions of chapter 5 of title 5.

"(ii) FAILURE TO ACT.—If the Secretary does not issue a final rule in accordance with clause (i) on or before the last day of the one-year period referred to in clause (i), the Secretary shall submit to the Committee on Homeland Security of the House of Representatives, Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Homeland Security and Governmental Affairs of the Senate a report explaining why the final rule was not timely issued and providing an estimate of the earliest date on which the final rule will be issued. The Secretary shall submit the first such report within 10 days after such last day and submit a report to the Committees containing updated information every 30 days thereafter until the final rule is issued.

"(iii) SUPERCEDING OF INTERIM FINAL RULE.—The final rule issued in accordance with this subparagraph shall supersede the interim final rule issued under subparagraph (A).

"(4) REPORT.—Not later than 1 year after the date of establishment of the system under paragraph (1), the Secretary

Reports.

Deadline.

shall submit to the Committees referred to in paragraph (3)(B)(ii) a report that describes the system.

- "(5) SCREENING DEFINED.—In this subsection the term 'screening' means a physical examination or non-intrusive methods of assessing whether cargo poses a threat to transportation security. Methods of screening include x-ray systems, explosives detection systems, explosives trace detection, explosives detection canine teams certified by the Transportation Security Administration, or a physical search together with manifest verification. The Administrator may approve additional methods to ensure that the cargo does not pose a threat to transportation security and to assist in meeting the requirements of this subsection. Such additional cargo screening methods shall not include solely performing a review of information about the contents of cargo or verifying the identity of a shipper of the cargo that is not performed in conjunction with other security methods authorized under this subsection, including whether a known shipper is registered in the known shipper database. Such additional cargo screening methods may include a program to certify the security methods used by shippers pursuant to paragraphs (1) and (2) and alternative screening methods pursuant to exemptions referred to in subsection (b) of section 1602 of the Implementing Recommendations of the 9/11 Commission Act of 2007.".
- (b) Assessment of Exemptions.-
 - (1) TSA ASSESSMENT.-
 - (A) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the appropriate committees of Congress and to the Comptroller General a report containing an assessment of each exemption granted under section 44901(i)(1) of title 49, United States Code, for the screening required by such section for cargo transported on passenger aircraft and an analysis to assess the risk of maintaining such exemption.

(B) CONTENTS.—The report under subparagraph (A) shall include-

(i) the rationale for each exemption;

- (ii) what percentage of cargo is not screened in accordance with section 44901(g) of title 49, United States Code;
- (iii) the impact of each exemption on aviation secu-
- (iv) the projected impact on the flow of commerce of eliminating each exemption, respectively, should the Secretary choose to take such action; and

(v) plans and rationale for maintaining, changing,

or eliminating each exemption.

(C) FORMAT.—The Secretary may submit the report under subparagraph (A) in both classified and redacted formats if the Secretary determines that such action is appropriate or necessary.

(2) GAO ASSESSMENT.—Not later than 120 days after the date on which the report under paragraph (1) is submitted, the Comptroller General shall review the report and submit to the Committee on Homeland Security of the House of Representatives, the Committee on Commerce, Science, and

Deadline.

Deadline.

Transportation of the Senate, and the Committee on Homeland Security and Governmental Affairs of the Senate an assessment of the methodology of determinations made by the Secretary for maintaining, changing, or eliminating an exemption under section 44901(i)(1) of title 49, United States Code.

SEC. 1603. IN-LINE BAGGAGE SCREENING.

(a) Extension of Authorization.—Section 44923(i)(1) of title 49, United States Code, is amended by striking "2007." and inserting "2007, and \$450,000,000 for each of fiscal years 2008

through 2011".

(b) Submission of Cost-Sharing Study and Plan.—Not later than 60 days after the date of enactment of this Act, the Secretary for Homeland Security shall submit to the appropriate congressional committees the cost sharing study described in section 4019(d) of the Intelligence Reform and Terrorism Prevention Act of 2004 (118 Stat. 3722), together with the Secretary's analysis of the study, a list of provisions of the study the Secretary intends to implement, and a plan and schedule for implementation of such listed provisions.

SEC. 1604. IN-LINE BAGGAGE SYSTEM DEPLOYMENT.

- (a) In General.—Section 44923 of title 49, United States Code, is amended—
 - (1) in subsection (a) by striking "may make" and inserting "shall make";
 - (2) in subsection (d)(1) by striking "may" and inserting "shall";
 - (3) in subsection (h)(1) by striking "2007" and inserting "2028":

(4) in subsection (h) by striking paragraphs (2) and (3)

and inserting the following:

- "(2) ALLOCATION.—Of the amount made available under paragraph (1) for a fiscal year, not less than \$200,000,000 shall be allocated to fulfill letters of intent issued under subsection (d).
- "(3) DISCRETIONARY GRANTS.—Of the amount made available under paragraph (1) for a fiscal year, up to \$50,000,000 shall be used to make discretionary grants, including other transaction agreements for airport security improvement projects, with priority given to small hub airports and nonhub airports.";

(5) by redesignating subsection (i) as subsection (j); and

(6) by inserting after subsection (h) the following:

"(i) LEVERAGED FUNDING.—For purposes of this section, a grant under subsection (a) to an airport sponsor to service an obligation issued by or on behalf of that sponsor to fund a project described in subsection (a) shall be considered to be a grant for that project.".

(b) Prioritization of Projects.—

(1) IN GENERAL.—The Administrator of the Transportation Security Administration shall establish a prioritization schedule for airport security improvement projects described in section 44923 of title 49, United States Code, based on risk and other relevant factors, to be funded under that section. The schedule shall include both hub airports referred to in paragraphs (29), (31), and (42) of section 40102 of such title and nonhub airports (as defined in section 47102(13) of such title).

Deadline.

49 USC 44923. Airport security.